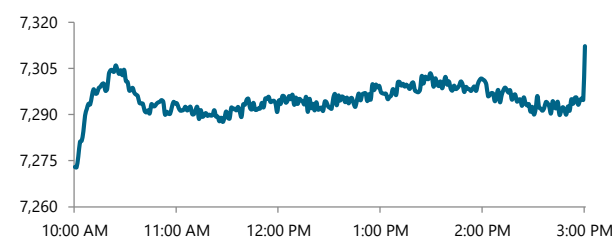


Daily Markets Overview

5 July 2020

TASI Intraday



Source: Reuters

Saudi Stock Indices

Index	Last Close	1 Day %	WTD %	YTD %	PE (TTM)
Saudi (TASI)	7,312	0.8	1.1	-12.8	21.0
Saudi (NOMUC)	7,927	1.1	0.0	10.4	32.2
Energy	5,001	0.7	0.6	-8.1	21.8
Materials	4,628	1.2	2.3	-10.4	NA
Capital Goods	3,816	0.4	1.6	-11.9	28.2
Com. & Prof. Svc	3,782	1.7	0.9	-20.7	14.8
Transportation	3,739	0.4	1.4	-14.9	22.6
Cons. Durables & Apparel	3,398	0.8	1.8	-3.1	NA
Consumer Services	3,439	1.1	0.4	-13.1	8.7
Media	7,621	0.2	-2.7	-18.9	22.3
Retailing	6,712	1.3	0.2	-12.8	NA
Food & Staples Retailing	8,991	0.4	-1.7	35.9	NA
Food & Beverages	5,187	2.2	0.3	19.1	43.3
Health Care Equipment	4,199	1.1	7.5	12.6	28.5
Pharma, Biotech & Life Science	3,879	1.4	-0.5	7.9	NA
Banks	6,384	0.4	0.3	-21.3	12.4
Diversified Financials	3,137	0.1	0.7	-5.0	NA
Insurance	4,562	1.2	1.4	1.1	NA
Telecommunication	6,456	0.7	0.8	-0.3	22.7
Utilities	3,485	0.4	-1.0	-20.8	NA
REITs	3,727	1.1	2.5	-11.2	20.4
Real Estate	2,503	0.7	4.4	-20.1	NA

Sources: Bloomberg, Reuters, Tadawul

Top 5 Gainers

Company	Last Close	% Change	Value (SAR mn)
National Company for Learning and Education	51.40	9.1%	94
Musharaka REIT Fund	8.52	6.6%	27
Almarai Co.	55.00	3.8%	59
SEDCO Capital REIT Fund	8.52	3.2%	3
Baazeem Trading Co.	50.50	3.1%	40

Source: Tadawul

Upcoming General Assembly Meetings

Company	Date
Alkhabeer REIT	5-Jul-20
Ash-Sharqiyah Development Co.	12-Jul-20
Jazan Energy and Development Co.	12-Jul-20
Fitaihi Holding Group	15-Jul-20
Tihama Advertising & Public Relations Co.	15-Jul-20
United Wire Factories Company	15-Jul-20

Source: Tadawul

Saudi Market Update

- TASI closed 0.8% higher to 7,312 while NOMUC gained 1.1% to 7,927 on Thursday. TASI traded value totaled SAR 4.2bn and averaged SAR 16.6bn over the last 30 days. The five most active stocks (by value) in TASI accounted for 19.8% of the daily traded value.
- MSCI Emerging Markets closed 0.9% higher on Friday, trading at P/E (TTM) of 16.7x vs. 21.0x for TASI.
- Banks and Materials gained 0.4% and 1.2%, respectively. Telecom closed 0.7% higher. Food & Beverages (up 2.2%) was the best performing sector. Among stocks, National Company for Learning and Education (4291/NCLE AB), Musharaka REIT Fund (4335/MUSHREIT AB), and Almarai Co. (2280/ALMARAI AB), led the gainers.
- According to S&P, insurance companies in KSA are expected to report robust overall underwriting results in the 1H20. It added that the strong performance is driven by a sharp fall in motor and medical claims due to the COVID-19-related lockdown. (Source: Argaam)
- King Salman issued a royal decree on extending some government initiatives to mitigate the fallout of the coronavirus pandemic on economic activities and the private sector. These initiatives focus on supporting Saudi employees, suspending penalties, deferring collection of fees, exemptions and tax returns. (Source: Argaam)
- Public Investment Fund (PIF) announced a program that aims to boost its assets under management (AUM) to SAR 1.5tn (USD 399mn) in 2020 from SAR 840bn (USD 223bn) in 2017. The sovereign fund is looking to raise total shareholder return (TSR) to 5% (the baseline stood at 3% from 2014 to 2016), and contribute 6.3%, or over SAR 170bn (USD 45.3bn), to the country's gross domestic product (GDP). (Source: Argaam)
- The General Authority for Small and Medium Enterprises (Monshaat) said that 63% of small and medium-sized enterprises (SMEs) achieved a 10% growth in digital sales since the beginning of the coronavirus outbreak. A total of 39% of the growth-achieving SMEs operate in accommodation and food activities, followed by wholesale and retail trade with 22%. (Source: Argaam)
- The Saudi Arabian Oil Company (2222/ARAMCO AB) announced that its In-Kingdom Total Value Add (iktva) has helped the company's supply chains remain uninterrupted, mitigating the impact of COVID-19 on its operations. iktva has contributed to a significant expansion of the KSA's industrial base, attracting an estimated capital expenditure of USD 6.5bn (SAR 24.4bn). (Source: Argaam)

Top 5 Losers

Company	Last Close	% Change	Value (SAR mn)
Saudi Fisheries Co.	19.42	-9.9%	8
National Petrochemical Co.	24.66	-1.4%	3
Al-Jouf Agriculture Development Co.	29.00	-1.4%	19
Middle East Healthcare	31.05	-1.1%	10
Al Yamamah Steel Industries Co.	17.40	-1.0%	16

Most Active Stocks by Value (SAR mn)

Company	Last Close	% Change	Value (SAR mn)
Al Rajhi Bank	57.50	0.7%	212
Dar Alarkan Real Estate Development Co.	7.17	0.7%	169
The Saudi Arabian Oil Company	32.90	0.6%	160
Dr. Sulaiman Al Habib Medical Services Group	82.50	2.1%	157
Mobile Telecommunications Co. Saudi Arabia	11.90	1.2%	135

Source: Tadawul

NOTES: (1) Prices as of last trade. Updated as of July 02, 2020

(2) WTD: Week to Date and YTD: Year to Date

Daily Markets Overview

5 July 2020

GCC Stock Indices

Index	Last Close	1 Day %	WTD %	YTD %	PE (TTM)
Dubai (DFM)	2,061	-0.1	-1.2	-25.4	6.2
Abu Dhabi (ADX)	4,312	0.6	0.6	-15.1	13.8
Kuwait (KSE)	4,902	0.0	-0.3	-12.3	24.7
Qatar (QE)	9,212	1.4	0.3	-11.6	14.5
Oman (MSM)	3,512	-0.2	-0.4	-11.8	10.0
Bahrain (BSE)	1,274	0.2	-0.4	-20.9	9.5
DJMENA Index	509	0.0	0.4	-15.9	NA

Source: Bloomberg, Reuters

Global Stock Indices

Index	Last Close	1 Day %	WTD %	YTD %	PE (TTM)
US (S&P 500)	3,130	0.0	4.0	-3.1	21.9
US (NASDAQ 100)	10,208	0.0	4.6	13.8	41.7
UK (FTSE 100)	6,157	-1.3	0.0	-18.4	21.9
Germany (DAX)	12,528	-0.6	3.6	-5.4	23.1
France (CAC 40)	5,007	-0.8	2.0	-16.2	19.6
Russia (MICEX)	2,802	0.5	1.4	-8.0	NA
Japan (Nikkei)	22,306	0.7	-0.9	-5.7	26.2
Hong Kong (HSI)	25,373	1.0	3.4	-10.0	NA
South Korea (KOSPI)	2,131	0.0	0.0	-3.0	24.7
China (SHCOMP)	3,153	2.0	5.8	3.4	15.8
India (NIFTY)	10,607	0.5	2.2	-12.8	24.0
Brazil (IBOV)	96,765	0.6	3.1	-16.3	36.6
Turkey (BIST 100)	1,15,748	-1.0	0.9	1.2	9.2
Egypt (EGX30)	10,765	0.0	-1.2	-22.9	NA
MSCI Emerging Markets	1,033	0.9	3.4	-7.3	16.7
MSCI World	2,226	-0.1	3.2	-5.6	21.5

Source: Bloomberg, Reuters

Commodities Prices

Index	Last Close	1 Day %	WTD %	YTD %	1 Year %
Brent Crude (\$/bbl)	42.8	-0.8	4.3	-35.2	-33.4
Natural Gas (\$/mmbtu)	1.8	0.9	13.6	-20.1	-29.8
Gold (\$/oz)	1,772	-0.2	0.0	16.8	26.6
Silver (\$/oz)	18.0	0.3	1.2	0.9	20.1
Platinum (\$/oz)	811	-0.4	0.6	-16.1	0.1
Copper (\$/t)	6,017	-0.9	1.0	-2.1	2.2
Zinc (\$/t)	2,026	-0.2	-0.6	-11.1	-15.7
Lead (\$/mt)	1,756	-0.5	-1.2	-8.7	-5.7
Wheat (\$/bu)	492	0.0	3.4	-11.9	-10.1
Corn (\$/bu)	344	0.0	7.2	-11.4	-19.4
Sugar (\$/lb)	12.2	0.0	5.3	-8.8	-10.6

Source: Bloomberg

Interest Rate Watch (3M Interbank Offer Rate, %)

Country	Last Close	1 Day Change	YTD Change	Spread*
US	0.28	-0.03	-1.63	0.00
Saudi Arabia	0.98	0.00	-1.25	0.68
UAE	0.76	0.13	-1.45	0.45
Kuwait	1.63	0.00	-1.13	1.32
Qatar	1.06	-0.02	-1.19	0.75
Bahrain	2.25	0.00	-0.42	1.95

Source: Reuters

NOTES:

(1) Prices updated as of July 3, 2020(2) WTD: Week to Date; YTD: Year to Date; NA: Not Applicable, *Spread = US 3M Rate – Country 3M Rate

GCC & Global Markets Update

- US markets were closed for trading on Friday. In Europe, UK decreased 1.3%. Germany and France closed 0.6% and 0.8% lower, respectively.
- Asian markets ended in the green on Friday. China and Japan gained 2.0% and 0.7%, respectively. South Korea closed up 0.8%. Hong Kong and India ended 1.0% and 0.5% higher, respectively.
- GCC markets ended mixed on Thursday. Dubai decreased 0.1%, while Abu Dhabi increased 0.6%. Kuwait closed flat, while Qatar gained 1.4%. Oman closed 0.2% lower, while Bahrain closed 0.2% higher.
- US jobless claims for the week ended June 27 stood at 1.4mn (prior: 1.5mn; consensus: 1.4mn). (Source: Trading Economics)
- According to the Central Bank of Bahrain (CBB), the economy is likely to contract by 3.6% this year, however government stimulus measures should provide support. CBB added that it has implemented several stimulus measures to alleviate the fallout on the economy from the Covid-19 pandemic and lower oil prices, which should help growth to rebound in 2021 as oil prices recover and activity in the region increases. (Source: Trade Arabia)
- The Department of Culture and Tourism – Abu Dhabi (DCT Abu Dhabi) has announced plans to boost the Emirate's consumer sector and support the reopening of malls through a destination-wide seasonal shopping promotion running from July 2 to August 31. (Source: Trade Arabia)
- Dubai Multi Commodities Centre (DMCC) and China's Innoway have signed a Memorandum of Understanding (MoU) to increase collaboration in the tech sector between the UAE and China, and usher in a new wave of innovation to Dubai. (Source: Trade Arabia)
- According to reports, Dubai's food exports to Russia recorded USD 114mn (SAR 427mn) in 2019, reflecting the increased cooperation between the UAE and the Russian Federation on food security. (Source: Decypha)
- Kuwait's National Assembly committee has decided that a draft law proposing a quota for expatriates is constitutional. The bill states that the Indian expatriate community should not exceed 15% of the national population, which means around 800,000 of them might be required to leave Kuwait. (Source: Trade Arabia)

Coming Up

- US' Markit Composite PMI for June 2020 (prior: 37; consensus: 46.8) will be announced tomorrow. (Source: Trading Economics)
- US EIA Petroleum status report on weekly change in crude oil inventories for the week ended July 2 (prior: -7.2mn barrels) will be announced on July 8. (Source: Trading Economics)
- US jobless claims for the week ended July 4 (prior: 1.4mn) will be announced on July 9. (Source: Trading Economics)

Daily Markets Overview

5 July 2020

Contacts

Research & Advisory

Research&advisory@fransicapital.com.sa

Saudi Fransi Capital

Toll free 800 125 9999

Website www.sfc.sa

Saudi Fransi Capital (Closed Joint Stock Company Owned by Banque Saudi Fransi)

Authorized and regulated under Capital Market Authority license 11153-37. The company is operating under commercial registration 1010231217 with a paid up capital of SAR 500,000,000.

Head Office

8092 King Fahd Road | Riyadh 12313-3735 | Kingdom of Saudi Arabia

Mailing Address

P.O. Box 23454 Riyadh 11426 | Kingdom of Saudi Arabia

Disclaimer

The information in this report was prepared for the purpose of viewing public information only. This information was gathered in this report from various public sources believed to be reliable. Whilst all reasonable care has been taken to ensure that the facts, the forecasts, and expectations contained in this report are accurate. Saudi Fransi Capital makes no representations or warranties whatsoever as to the accuracy of the data and information provided and, in particular, Saudi Fransi Capital is not to be held responsible if the information in this report is not complete or free from any error.

This report is not to be construed as, an offer or solicitation of an offer to buy or sell any financial securities or adapt an investment or trading method. Saudi Fransi Capital accepts no liability whatsoever for any loss arising from any use of this report or its contents.

This report provides information of a general nature and is not intended to provide investment advice and does not take into account the reader's financial situation or any specific investment objectives which the reader may have. Before making any investment decision, the reader should seek an independent advice from his financial advisor because the investment in such kind of securities may not be suitable for all.

